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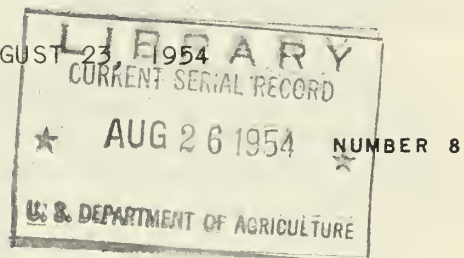
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Foreign CROPS AND MARKETS

FOR RELEASE MONDAY, AUGUST 23, 1954

VOLUME 69

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UNITED STATES DEPARTMENT OF AGRICULTURE

FOREIGN AGRICULTURAL SERVICE

WASHINGTON 25, D. C.

L A T E N E W S

United States agricultural exports in June 1954 totaled \$267 million, 36 percent above June a year earlier. The total for the year beginning July 1953 was \$2,931 million, an increase of 4 percent over the 1952-53 value of \$2,817 million. Increased shipments of cotton in the second half of the fiscal year were the principal factor in raising the export level in 1953-54. More information will be published in next week's issue of Foreign Crops and Markets.

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United States imports of cotton for consumption in June 1954 amounted to 8,000 bales (500 pounds gross) making a total of 136,000 bales for August-June 1953-54. This total includes from principal sources 72,000 bales from Egypt; 18,000 from India; 17,000 from Mexico; and 12,000 from Pakistan.

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Imports of cotton linters into the United States in June 1954 amounted to 9,000 bales (500 pounds gross) making a total of 157,000 bales for August-June 1953-54. Principal sources included in the latter figure are Mexico 85,000 bales; Brazil 28,000; and the U.S.S.R. 27,000

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Exports of cotton linters from the United States during June 1954 amounted to 27,000 bales of 500 pounds gross. The August-June total of 261,000 bales shows Germany receiving 100,000 bales; France 47,000; the United Kingdom 44,000; Japan 37,000; and Canada 17,000.

(Continued on page 217)

FOREIGN CROPS AND MARKETS

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ONLY SMALL EXPORTS OF BUTTER
TO UNITED KINGDOM SEEN

The reports from London indicate there is very little likelihood of any extensive importation of butter from the United States with the present price situation continuing. The trade apparently feels that the 41 cent export price arrangement negotiated through Foreign Operations Administration is rather high in view of the recent lowering of prices by the British Ministry of Food, which is the nominal wholesaler for 90 percent of the butter on the United Kingdom market. However, the situation has not deterred import license applications; holders of license can take advantage of any price situation before January 31, 1955, the expiration date.

United States exporters were concerned with the timing of the recent announcement of the Ministry of Food in the reduction of the wholesale price of premium butter to 49.1 cents per pound, as reported in Foreign Crops and Markets for August 9; the announcement was made by the Ministry at the time the Board of Trade was accepting import applications for the 14 million pounds of butter expected to be imported by private traders from the United States under the FOA arrangements. It was thought that the Ministry's price reduction was to deter imports from the United States. It is now officially reported that there was no connection between the licensing and price reduction announcements and the timing was purely coincidental.

London reports the primary reason for the reduction in the Ministry's wholesale price was the weakened butter market. With derationing in May the Ministry raised the price of butter from 45.6 cents per pound to 51.6 cents. With the then existing supply of butter and considering anticipated demand it was thought that a wholesale butter price increase to 51.6 cents could be obtained by private traders. However, when the sales of butter slackened appreciably the Ministry was forced to reduce its price.

LITTLE LIKELIHOOD FOR SALE OF U. S.
DAIRY PRODUCTS TO GERMANY

With milk production during the first quarter of 1954 at 8.6 billion pounds and up almost 10 percent over the similar period last year and with utilization in good balance with supply, there appears little likelihood that Western Germany will become an important outlet for dairy products from the United States. Most of the increased milk output went into butter production and found immediate sale at steady prices; at the same time butter imports were cut back more than 1.3 million pounds during the quarter. Cheese imports rose 24 percent to 27 million pounds for the 3 month period, but the chief suppliers are Denmark and the Netherlands.

Despite the trend toward bottled milk use in fluid markets and the continued "drink more milk" advertising, fluid milk consumption showed no significant increase, a rise of less than 2 percent being recorded over the first quarter in 1953. Actually, fluid whole milk consumption dropped during the three month period as against last year. In the first quarter of 1954, 12.2 billion pounds of milk were consumed in fluid form while the year previous 12.3 billion pounds of milk were so consumed. The net increase during 1954 was registered in the sale of skim milk which increased 20 percent over the same period last year.

The price of fluid milk is still fixed at about 8.7 cents per quart in bulk. However, state authorities can increase this to 9.1 cents provided the dairies agree to: (1) test all delivered milk and pay producers accordingly, (2) market only that milk which met certain quality requirements.

Some dairies have recently started to sell fresh milk in waxed paper cartons at the price of bottled milk, 10.2 cents to 11.4 cents a quart.

German imports of fresh and processed milk remained at the 1953 level during the first 3 months of the year when they totaled 1.1 million pounds; German exports, however, jumped from 0.3 million pounds to more than 2.2 million pounds. Germany's cheese exports rose 2.5 million pounds during the quarter over the preceding year when shipments of more than 3.4 million pounds were recorded.

The only dark spot in the German dairy picture was in the dried milk market. Powdered whole milk sales were down as a result of cool spring weather and the consequent withholding of purchases by the ice cream trade. Nonfat dry milk solids also continued to be slow moving and stocks are very large and prices relatively low. Proposals by the dairy interests to make the enrichment of bread with milk powder mandatory have been rejected by the German Government.

PANAMA REDUCES MILK PRICES

The Panamanian Office of Price Control recently reduced the wholesale and retail maximum prices for pasteurized milk at Panama City and at Colon.

The new maximum price per quart of milk is 27 cents as compared with the old maximum price of 30 cents. The current price for similar milk sold in the Canal Zone Commissaries is 25 cents per quart.

This action of the Office of Price Control received unfavorable response from the milk processors who have requested that the old maximum prices be reinstated. According to a processing company spokesman, the cost of raw milk, delivered to his plant, is 18.75 cents per quart. Pasteurization and other handling and bottling charges amount to 5 cents per quart and delivery to consumer and retailer costs an additional 1.25 cents. He said that unless the old maximum prices are restored processors would have difficulty meeting costs; he also maintains that milk producers are making too small a profit to expect them to absorb any of the reduction.

PASTEURIZED MILK OUTPUT IN NICARAGUA UP IN 1953

Nicaragua showed a sharp increase in the production of pasteurized milk and butter during 1953.

During this period the production of pasteurized milk was over 5 million quarts, almost double the output of the same period in the preceding year.

Butter production amounted to about 267,000 pounds during the last 5 months of 1953. Local consumption of butter was about 40 percent of the amount produced, the greater part was exported to El Salvador.

In spite of the increase in milk production, the dairy industry is not yet a too serious competitor of the soft drink industry; production of soft drinks in 1952 amounted to 8.6 million quarts and is reported to be considerably higher in 1953.

ECONOMIC COUNCIL REPORTS ON MILK SITUATION IN VENEZUELA

The National Economic Council, which has been studying the surplus milk problem in Venezuela, has made its recommendation to a rather complicated problem. The background to the problem is that pasteurized fluid milk is pegged at retail at 30 cents per quart, partially as a result of a direct subsidy of 4.5 cents per quart to the producer. At the same time Venezuela imports annually more than 650 million pounds of powdered whole milk which can be reconstituted by the consumer for a little more than 15 cents per quart. As a consequence, there is a considerable surplus of milk and the dairies are on quota deliveries, based on minimum production in the dry season; quota milk price to the producer is 21.3 cents per quart.

The solution of the Economic Council is that dairymen be guaranteed 17 cents per quart (\$7.92 per cwt.) for all their production delivered to the pasteurization plants. The Council recommends that the retail price of the pasteurized milk be reduced from 30 cents to 27 cents per quart at grocery stores although delivered milk to homes would remain at 30 cents. The amount of the producer subsidy in the arrangement would be increased from 4.5 cents to 6 cents per quart.

The proposals, if adopted, are not expected to contribute substantially to the solution of the milk surplus problem for a number of reasons. For one, it is reported that most of the fluid milk is delivered to homes; many grocers will not handle bottled milk. Consequently, there would be no reduction in price for many consumers. Secondly, since most of the milk consumers lack refrigeration it is considered doubtful by many observers that they would buy fluid milk in preference to dried whole milk even if the fluid milk price was as low as 15 cents per quart.

BRAZIL CONSIDERING IMPORT OF U. S. BUTTER

It is reported from Rio de Janeiro that the Brazilian Government is considering the importation of butter and lard to the value of \$1 million, possibly from the United States. The products would be sold at cost to workers through their unions.

FAO STUDIES EGYPT'S ABILITY TO USE MORE DAIRY PRODUCTS

The Food and Agriculture Organization is sending a mission to Egypt to study the possibilities of raising nutritional standards in Egypt through the increased utilization of dairy products, particularly dried skim milk, and the further development of the dairy industry of the country. The mission is to report in September to the FAO Committee on Commodity Problems; mission leader is K. V. I. Kesteven, Chief of the Animal Production Branch of FAO.

SWEDEN SHOWS GAIN IN FLUID MILK CONSUMPTION

During the first six months of 1954 fluid milk consumption in Sweden increased 1.2 percent over the similar period in 1953. Sales of milk for fluid consumption totaled 1,065 million pounds as compared with 1,052 million pounds in the previous year. The increase was registered in the face of declining milk receipts from farmers. During the first six months of 1954, 4,036 million pounds of milk were delivered by farmers to creameries as compared with 4,144 million pounds in the same period during 1953.

Production of butter is down about 5.1 percent; 102 million pounds were manufactured during the 1954 January - June period against a similar period production of 108 million pounds in 1953. Cheese production of 64.9 million pounds is 1.3 percent less than the 1953 January - June figure.

FRENCH GOVERNMENT ADOPTS CHEESE STORAGE PROGRAM

With the price of cheese falling to a new low level in recent months due to large supplies, the French Government will finance a storage program during the period July 20 to October 31, 1954. This is similar to the butter storage program described in Foreign Crops and Markets for June 21, 1954.

The Government will guarantee a price for each type of cheese to be set each week by a quotation commission; base will be average prices quoted that preceding week.

Should the price of cheese leaving storage be less than the price at which it entered plus warehouse charges, the Government will be responsible for the difference up to an amount agreed to in a "letter of agreement" covering the given operation, but in no case more than 4.5 cents per pound. If the price of cheese coming out of storage is higher than cost plus storage fees, the seller must pay part of the difference to the State, as provided in the "letter of agreement".

The guarantee will not apply to cheese placed in storage during periods when market quotations exceeded certain levels to be determined by the Minister of Agriculture. The quotation commissions will determine the dates the guarantee will be in effect.

Producers are not attempting to evaluate the program before they know the terms of the "letter of agreement." However, indications are that the trade will store more cheese privately than under the government guarantee program.

CASHEW NUT PRODUCTION INCREASING IN PORTUGUESE GUINEA

The Portuguese Guinea Government is developing cashew nut production in that province. Cashew nut trees have been planted along most roads during the last several years. There are also a number of cashew plantations ranging up to 70 acres in size. Many of these plantings are now reaching bearing age.

The intention to develop cashew nuts as an export crop has been realized to some extent. Cashew nut exports, which were about 1,000 pounds in 1952, rose to 2,800 pounds in 1953. It is expected that 6,000 to 8,000 pounds will be available for export in 1954. Cashew nuts in the shell are exported to India for shelling.

There is little doubt that cashew nut production will continue to increase in Portuguese Guinea. The natives are coming to regard this crop as a source of both food and income.

BUMPER TURKISH FILBERT CROP FORECAST

The 1954 filbert crop in Turkey is now estimated at upwards of 105,000 short tons, the largest production recorded in at least 24 years. Estimates range as high as 127,000 tons. The 1953 production figure, also revised upward, is now reported at 51,000 short tons.

ITALIAN RICE EXPORTS DECLINE

The Italian 1954 rice crop is estimated to be larger than last year or about 940,000 tons. During the past planting season the Ente Risi experimented with a rice transplanting machine. Ten of these machines were reported in operation in the provinces growing rice. If export markets can be maintained, the current problem of obtaining labor for transplanting might be solved and rice acreage extended.

However, rice exports this season, compared to a similar period last year (Sept. through June), show a decrease of 23 percent. The Ente Risi as well as exporters and millers have been much concerned over this decline. No appreciable results in extending exports have resulted from the various steps taken to improve trade since last April.

Italy is currently exporting to some 25 countries throughout Europe, Africa and the Middle East, the largest single outlet being Germany. The other larger buyer since 1951 has been Japan, but since the record Italian rice export of 1951, total exports of rice to Japan have been declining and, unless there is some drastic turn in the present world supply-demand situation in rice, further reductions to that destination appear likely.

U. S. RICE EXPORTS DROP IN JUNE

United States exports of rice during June 1954 amounted to 470,000 bags (milled equivalent) as compared to 1,228,000 bags in June of 1953. The difference was almost entirely due to the fact that relatively heavy shipments were still being made at this time to Korea last year, while during the 1954 marketing year no shipments to that area have occurred since last August. This reduction in export volume for June brought the 1953-54 total for the eleven month period down to 15,383,000 bags as compared to 16,150,000 last year.

The eleven month totals show an increase of 608,000 bags to the Western Hemisphere areas, an increase of 235,000 to Europe, 56,000 increase to Africa and miscellaneous areas; and for Asia a decrease of 1,666,000 bags. This decrease, while substantial, is entirely occasioned by the cessation of hostilities in Korea. Disregarding the effect of the Korean war on U. S. exports of rice in 1951-52 and 1952-53, the volume of export this year shows a healthy and consistent increase for most areas.

RICE: United States exports to specified countries,
June 1954, with comparisons 1/

Country of destination	August-July		August-June		June	
	1951-52	1952-53	1952-53	1953-54 <u>2/</u>	1953	1954 <u>2/</u>
	1,000 bags	1,000 bags	1,000 bags	1,000 bags	1,000 bags	1,000 bags
Western Hemisphere:						
Canada.....	443:	601:	584:	607:	18:	24
British Honduras.....	22:	3:	3:	14:	0:	2
British West Indies....	54:	81:	81:	5:	1:	<u>3/</u>
Cuba.....	5,118:	4,876:	4,227:	4,560:	378:	153
Netherlands Antilles...	25:	41:	37:	50:	1:	3
Venezuela.....	196:	86:	75:	191:	11:	11
Colombia.....	<u>3/</u>	<u>3/</u>	<u>3/</u>	167:	0:	105
Other countries.....	38:	15:	9:	30:	<u>3/</u>	2
Total.....	5,896:	5,703:	5,016:	5,624:	409:	300
Europe:						
Belgium & Luxembourg...	57:	52:	47:	199:	2:	15
Greece.....	209: <u>3/</u>	<u>3/</u>	:	11: <u>3/</u>	:	5
Iceland.....	3:	8:	8: <u>3/</u>	: <u>3/</u>	:	0
Switzerland.....	21:	38:	38:	54:	0:	2
West Germany.....	1: <u>3/</u>	<u>3/</u>	:	29:	0:	13
Other countries.....	<u>3/</u>	2:	2:	37: <u>3/</u>	:	0
Total.....	291:	100:	95:	330:	2:	35
Asia:						
Saudi Arabia.....	91:	138:	131:	124:	10:	20
Ceylon.....	741:	647:	647:	0:	0:	0
Indonesia.....	1,799:	1,100:	1,100:	0:	0:	0
Philippines.....	71: <u>3/</u>	:	0: <u>3/</u>	:	0:	0
Korea, Republic of.....	2,821: <u>4/</u>	4,631: <u>4/</u>	3,901: <u>4/</u>	590: <u>4/</u>	804:	0
Hong Kong.....	0:	179:	179:	0:	0:	0
Japan.....	5,430:	4,420:	4,420:	8,594:	1:	86
Ryukyu Islands.....	0:	616:	616:	0:	0:	0
Other countries.....	9:	5:	4:	24: <u>3/</u>	:	1
Total.....	10,962:	11,736:	10,998:	9,332:	815:	107
Total Oceania.....	13:	19:	19:	17:	2:	3
Liberia.....	73:	22:	22:	67:	0:	22
Other Africa.....	4:	1: <u>3/</u>	:	6: <u>3/</u>	:	2
Other countries.....	-:	-:	-:	7:	-: <u>5/</u>	1
Total world.....	17,239:	17,581:	16,150:	15,383:	1,228:	470

1/ Milled rice, including brown, broken, screenings and brewers' rice and rough rice converted to terms of milled at 65 percent.

2/ Preliminary.

3/ Less than 500 pounds.

4/ Adjusted to include all programs of the Department of Defense, and the Foreign Operations Administration.

5/ Starting with January 1954, "other countries" includes shipments valued at less than \$500 each when the number of such shipments to a country in a given month is few.

Source: Bureau of the Census, except as noted.

WEATHER REPORT:
JAPANESE RICE CROP

The condition of Japan's rice crop definitely worsened between mid-June and mid-July as abnormally low temperatures afflicted the country's farms for the second successive summer. The outlook as of July 15 was generally worse than on the same date in 1953.

It is too early for a reliable forecast of 1954 output as weather conditions between now and the fall harvest could repair much of the damage already done or could accelerate the early season decline. Even with favorable weather through the rest of the season, however, most authorities believe that a below normal crop is likely. Average temperatures and sunshine might produce a harvest of around 9 million metric tons or a little better. The postwar high was 9,923,000 tons in 1952, while the low point was in 1953, with 8,239,000 tons. The prewar (1931-40) average was 9,359,000 tons.

Most of the damage from cool weather has occurred in northern Japan where the crop is transplanted early. The Ministry of Agriculture and Forestry (MAF) estimated growing condition there to be below normal even in mid-June, and the subsequent weather has brought a further decline. Early rice varieties, which occupy about 20 percent of the areas, are below normal in height and tillering has been retarded. Good weather conditions hereafter probably could not offset the poor start of the early varieties. More hope is held for the medium and late varieties. The overall outlook for northern Japan must be considered as poor, however. Weather conditions between July 20 and August 10 will be critical in this area.

In central Japan the extended, cool rainy season has also retarded plant growth, but the crop would probably recover with favorable weather. In late planting, southwestern Japan, rice condition is somewhat better than in 1953 as a result of less damage from heavy rains and floods. (Reported by J. C. Dodson, American Embassy, Tokyo)

INDIA CONTINUES EXPORT PROMOTION
OF FLUE-CURED TOBACCO

It is reported from Calcutta that the Indian Tobacco Trade Delegation to Southeast Asian countries has returned home and has indicated that China plans to buy 4.5 million pounds of Indian flue-cured tobacco which will be paid for by shipments of silk yarn, spun silk and other items to India.

Additional aid is to be given through issuance of special import licenses for commodities to be purchased by India from countries where Indian tobacco is to be sold. Commodities may be imported into India in anticipation of tobacco exports of the required value to be shipped in the next 4 months. This program applies only to the surplus low grades of flue-cured that were harvested before 1954.

U. S. TOBACCO EXPORTS IN JUNE 1954

United States exports of unmanufactured tobacco in June 1954 totaled 26.8 million pounds valued at \$17.8 million. This was 1.8 million pounds lower than in May and 21 percent below June 1953.

Exports of flue-cured tobacco were 17.9 million pounds in June compared to 24.9 million in June 1953, a 28 percent decrease. Burley, Green River, One Sucker and Cigar Binder showed substantial decreases in June, compared with the same period in 1953. All other types showed increases.

In the first 6 months of the current year, total exports of unmanufactured tobacco at 154.1 million pounds were 28 percent below the same period last year. Exports of flue-cured tobacco at 115.6 million were off 35 percent. This can be accounted for in large measure by decreased shipments to the United Kingdom (15.2 million pounds for the first 6 months of 1954 compared with 66.5 million pounds for the same period in 1953). In the first 6 months of 1953, considerable quantities of tobacco, which normally would have moved to the United Kingdom in the fall of 1952, were exported under the provisions of an option purchase arrangement. Exports of Burley, at 16.6 million pounds were 34 percent higher than a year earlier. Exports of most other types declined.

Exports of U. S. Unmanufactured Tobacco June 1954 and January-June 1954 with Comparisons

(Export Weight)

Type	June		January-June	
	1953	1954	1953	1954
	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds
Flue-Cured.....	24,922	17,911	177,197	115,585
Burley.....	4,997	3,703	12,450	16,662
Virginia Fire-Cured.....	184	325	1,675	1,640
Dark-Fired Kentucky-Tennessee..	1,781	2,788	10,964	9,669
Maryland.....	458	938	3,337	3,760
Green River.....	181	36	1,215	871
One Sucker.....	140	44	534	334
Cigar Wrapper.....	427	453	2,056	1,539
Cigar Binder.....	125	53	1,800	641
Cigar Filler.....	3	3	178	158
Other.....	303	530	2,785	3,203
Total.....	33,521	26,784	214,191	154,062
Declared value, million dollars:	20.2	17.8	138.5	98.4

Compiled in Foreign Agricultural Service from records of the Bureau of the Census.

Exports of tobacco products, valued at \$5.3 million, were higher in June 1954 than in the same month last year. All products, with the exception of smoking tobacco, showed increases.

Exports of cigarettes and smoking tobacco were lower in the January-June 1954 period than in the same period a year ago. Exports of all other tobacco products were higher than in 1953.

Exports of U. S. Tobacco Products June 1954
with Comparisons

Class of Products	June		January-June	
	1953	1954	1953	1954
Cigars and Cheroots	:	:	:	:
(1,000 pieces)	555:	791:	2,704:	4,659
Cigarettes (1,000 pieces)	1,119,298:	1,310,409:	8,398,874:	7,773,461
Chewing Tobacco and Snuff	:	:	:	:
(1,000 pieces)	82:	126:	599:	804
Smoking Tobacco in Packages	:	:	:	:
(1,000 pounds)	49:	43:	333:	294
Smoking Tobacco in Bulk	:	:	:	:
(1,000 pounds)	465:	218:	1,965:	1,799
Declared Value	:	:	:	:
(million dollars)	4.7	5.3	32.2	31.1

Compiled in the Foreign Agricultural Service from records of the Bureau of the Census.

SALES OF TOBACCO PRODUCTS BY THE
FRENCH MONOPOLY INCREASE IN 1953

Sales of tobacco products by the French Monopoly increased during 1953. Cigarettes accounted for most of the increase with a small rise in cigarillos and cut tobacco. Sales of cigars, chewing tobacco and snuff declined slightly.

Sales of Tobacco Products by the French Monopoly (Including Imported
Products and Sales Abroad) in 1952 and 1953

	<u>1952</u>	<u>1953</u>
	<u>1,000 pounds</u>	<u>1,000 pounds</u>
Cigarettes	83,158	85,382
Cigarillos	419	505
Cigars	930	890
Cut Tobacco	40,596	40,847
Chewing Tobacco	1,265	1,182
Snuff	1,543	1,446
Total	127,911	130,252

Out of a total of 40.8 million pounds of unmanufactured tobacco imported by France in the first half of 1954, 3.0 million pounds came from the United States. In the first half of 1953, 27.6 million pounds were imported, of which 4.7 million pounds were supplied by the United States.

MEAT CONSUMPTION IS INCREASING
IN MANY COUNTRIES 1/

World meat consumption during 1953 continued to rise to the highest levels in recent years. A further increase is occurring this year. The upturn in meat production since the end of World War II has been much greater than the gain in the human population. Thus, consumption per person in 1953 was about 10 percent greater than the 1946-50 average and was about equal to prewar, according to an analysis of world consumption trends completed by the Foreign Agricultural Service.

During 1953 meat consumption per person was considerably greater than the 1946-50 average in most countries of the world. The most significant increases occurred in Europe, where production decreased materially during the war. Consumption continued at relatively high levels in North America, Australia and South Africa. However, in a number of South American countries it continued at relatively low levels. Consumption in New Zealand continued to decrease, even though production continued large.

In Canada the consumption of meat per person in 1953 was greater than in any year since 1947 and was considerably above prewar and the 1946-50 average. Consumption per person in the United States was the greatest since 1908. Large production of meat in both countries during 1952 and 1953 resulted in a sharp drop in consumer prices. Apparently meat production in Cuba and Mexico is not keeping pace with increases in the human population and per capita supplies are declining. Consumption per person in those countries is small.

Meat consumption continued its postwar rise in most European countries. The prewar average was surpassed for the first time in Finland and the Netherlands. Consumption in Western Germany, the United Kingdom and Italy reached new postwar highs. Per capita supplies in the United Kingdom and Italy were only slightly below their prewar averages, but consumption in Western Germany was considerably below prewar. Consumption per person during 1953 was well above prewar in Belgium, Denmark, France, Ireland and the Netherlands. Only Norway and Portugal showed a decrease from 1952 levels in 1953.

Production and per capita consumption were considerably less in 1953 than in 1952 in Argentina and Uruguay. Consumption per person in Uruguay, normally the largest in the world, declined from 265 pounds in 1952 to 248 pounds during 1953. The 1953 rate, however, was above both the 1946-50 average of 219 pounds and the prewar average of 225 pounds. Supplies per person in Argentina during 1953 were estimated at only 191 pounds, compared with 230 pounds a year earlier. Consumption in Brazil during 1953 was maintained at about the 1952 level and slightly above prewar.

1/ A more extensive statement soon will be published as a Foreign Agriculture Circular by the U. S. Department of Agriculture, Foreign Agricultural Service, Washington 25, D. C.

MEAT CONSUMPTION IN SPECIFIED COUNTRIES, AVERAGE 1946-50 ANNUAL 1952 AND 1953 1/

Countries	Production			Net trade			Apparent Consumption			Per capita consumption		
	Average			Imports - Exports			Average			Average		
	1946-50	1952 2/	1953 2/	1946-50	1952 2/	1953 2/	1946-50	1952 2/	1953 2/	1946-50	1952 2/	1953 2/
	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Pounds	Pounds	Pounds
											Percent	Percent
NORTH AMERICA												
Canada 3/	2,053	2,033	1,985	- 354	-	66	-	1,699	1,720	1,885	127	135
Mexico	1,095	1,156	1,096	- 56	-	115	-	979	1,041	1,057	39	38
United States 3/	22,264	23,035	24,795	- 125	373	306	22,139	23,310	25,197	151	144	154
Cuba	414	410	410	24	42	N.A.	438	452	410	85	79	69
EUROPE												
Austria 4/	407	630	661	36	7	7	443	637	658	64	92	92
Belgium	559	778	815	165	13	13	724	791	802	85	91	94
Denmark 5/	884	1,271	1,512	- 355	-	721	529	550	763	126	127	175
Finland	220	248	278	3	N.A.	N.A.	223	248	278	57	61	67
France	3,820	4,552	4,762	69	9	19	3,889	4,561	4,743	94	107	111
Germany Western	2,700	4,430	4,665	6/ 140	71	122	6/ 2,840	4,501	4,787	6/ 61	93	98
Greece	161	180	190	32	5	5	193	185	205	25	25	26
Ireland	327	390	454	- 53	-	169	274	221	302	92	75	103
Italy	1,216	1,618	1,692	49	87	7	1,265	1,705	1,752	28	36	37
Netherlands	555	994	1,052	30	-	41	585	871	1,011	60	84	98
Norway	193	232	232	5	-	1	198	221	217	63	69	65
Portugal	324	323	305	6	-	7	330	322	298	40	38	35
Sweden	637	716	711	30	5	14	667	721	725	97	101	101
Switzerland	336	424	446	25	19	8	361	443	454	79	92	93
United Kingdom	2,025	2,878	3,003	3,031	2,400	3,156	5,056	5,278	6,159	101	105	122
SOUTH AMERICA												
Argentina	5,215	4,800	4,235	- 1,309	-	646	3,906	4,154	3,510	239	230	191
Brazil 7/	2,695	2,928	3,000	- 133	7	-	2,562	2,935	2,999	52	54	54
Chile	426	417	422	- 12	1	-	416	416	419	74	70	69
Paraguay	230	172	170	- 41	-	3	189	167	167	147	114	114
Uruguay	743	845	816	- 236	-	176	507	669	625	219	265	248
AFRICA												
Union of South Africa	917	935	1,040	12	12	8	929	923	1,048	78	73	80
OCEANIA												
Australia	2,137	2,331	2,591	- 491	-	510	1,646	1,821	1,895	212	211	215
New Zealand 8/	1,201	1,292	1,241	- 782	-	876	419	416	381	228	209	186

1/ Carcass meat basis - includes beef, veal, pork, mutton, lamb, goat and horse meat; excludes edible offal, lard, rabbit and poultry meat. 2/ Preliminary. 3/ Excludes horse meat. Consumption estimates take into account changes in commercial stocks. Per capita consumption is civilian consumption only. 4/ Production and consumption estimates include some game, rabbit meat and poultry. 5/ Production and trade include carcass meat equivalent of live animals exported. 6/ Averages for years 1948-50. 7/ Excludes farm production and consumption. 8/ Production data are for years ending September 30.

Foreign Agricultural Service. Prepared or estimated from official statistics of foreign governments, United States Foreign Service reports, and other information. August, 1954.

Meat consumption in New Zealand continued to decline during 1953. Utilization of 186 pounds per person was 23 pounds below a year earlier and 42 pounds below the 1946-50 average. Meat production and exports continue at very high levels. Rising prices have discouraged domestic consumption and it is reported that much less meat is being wasted by consumers than has been the case in former years. Per capita consumption in Australia of 215 pounds last year was slightly above the 1946-50 average but was materially below the prewar average of 245 pounds. Production in Australia continued large but the large exports and higher domestic prices tended to limit domestic utilization.

DANISH-WEST GERMAN MEAT TRADE

Denmark's ability to bring its trade with Germany into balance is dependent, to a large measure, on its ability to export agricultural commodities to Germany. In 1953 Denmark's overall trade deficit with West Germany amounted to over 78 million dollars, a substantial increase over the trading deficits of 1952 and 1951. To a certain extent the Danes have been hampered in their efforts to increase the volume of agricultural commodities exported to Germany because of the rigid import restrictions imposed by the West German Government.

The present import duties on Danish cattle put German importers at a disadvantage. Germany has a so-called "sliding custom rate" so that when Danish prices are low the customs rate is high and vice versa. As long as there is a strong demand for Danish cattle and meats on the markets, German purchases and Danish exports to Germany are most difficult. Danish exports of cattle are likely to be less this year than last. An estimated 75,000 head were moved into Germany this year compared with 100,000 head last year.

The effect of German tariffs on Danish agricultural exports may be illustrated by the exports of live slaughter hogs from Denmark to Germany. On July 18, 1953 Germany lifted trade barriers on live hogs. The result was the immediate rapid rise in the exports of Danish hogs to Germany. Exports for recent periods are as follows:

Year		Number
1935-39	: Average	131,000
1952	January - December	7,000
1953	January 1 - July 17	17,000
1953	July 18 - December 31	80,000
1954	January - December (estimated)	150,000

While the Danes are interested in pushing the exports of live cattle, slaughter hogs, and butter to Germany, they are also interested in exporting such agricultural products as grass seeds, malt barley, and products of flax fiber and tow.

POULTRY IMPROVEMENT IN IRAN

Since the start of technical assistance work in Iran in 1951, the poultry improvement program has steadily increased in magnitude and scope. In 1952, through American technical aid, 75,000 chicks were imported from the United States. These were Barred and White Plymouth Rocks, New Hampshires, and Rhode Island Reds. In 1953 the Heifer Project Inc. donated 60,000 New Hampshire chicks. Through a prearranged plan some of these chicks were distributed among farmers and others were kept at live-stock centers and in demonstration flocks for foundation stock to continuously increase the pure bred populations.

In order to combat Newcastle disease, which for many years has been the biggest epidemic in the country, technical assistance has helped establish a Newcastle vaccine production laboratory. At the present time the laboratory is producing vaccines in quantities sufficient to meet the needs of the larger poultry population.

Increased production of poultry products will supply both farmers and city dwellers with ample supplies of poultry products, which are not produced in sufficient quantities to meet the needs of the country.

Exports of eggs and poultry from Iran are almost negligible. Only lately have some poultry products been exported from Luristan to Persian Gulf oil producing countries.

With improved veterinary services and increased facilities at the Government biological laboratory, where more vaccines and serums are being produced, it will be easier to combat poultry diseases in the country. The most common diseases are Newcastle, Cholera, Foul Pox, and Coccidiosis. Foundation flocks at the Government livestock centers have better protection against diseases than the village flocks.

ICELAND BUYS MEAT FROM DENMARK

The Icelandic Government attempted to purchase 100 tons of beef and pork from Denmark this May in an effort to relieve a serious meat shortage, but because of the high prices on the world market they obtained only 52 tons of beef and 8 tons of pork. The importation of meat was under the supervision of the Chief Veterinarian; and, to minimize the danger of foot-and-mouth disease infection, all the meat was sold boned. The importation of 60 tons was approximately equal to the weekly consumption of meat in Reykjavik. Since that time the meat supply has been augmented somewhat with spring lamb and whale meat.

Iceland has not purchased meat from the United States because of its dollar deficit. For the first five months of 1954 Iceland's exports to the dollar area were 62 percent greater than the value for the same months in 1953. Although imports from the dollar area were less during this period in 1954 than in 1953, Iceland still had an unfavorable balance of trade with the dollar area.

In former years Iceland was an exporter of meat, but since 1952 its meat exports have been negligible (see Foreign Crops and Markets, May 31, 1954). Sheep numbers are being increased by the introduction of stock from areas of Iceland that were free from the karakul or "lung" disease, which caused the slaughter of 280,000 adult sheep and a large number of lambs from 1944 to 1952 and which is the primary cause of the low meat output at the present time. The farmers appear quite satisfied with their new stock since it appears more fertile than the sheep originally owned by them.

CANADIAN POTATO PRODUCTION DOWN

The first estimate of Canadian potato production, based on August 1 growing condition, is indicated to be 55 million bushels. This is a reduction of 18 percent from the large 1953 crop of 67 million bushels. The 1952 crop was 60 million bushels and the 1951 crop was only 48 million bushels. Imports of table stock and seed potatoes from Canada on a quota year basis (quota year begins September 15) amounted to 1.6 million bushels in 1951, 3.3 million bushels in 1952 and 2.8 million bushels for the period September 1953 to May 1954.

NIGERIA INCREASES COTTON PRODUCTION

A record cotton crop for the 1953-54 season in Nigeria is estimated at approximately 133,000 bales (of 500 pounds gross), according to Erwin P. Keeler, American Consul General, Lagos. This compares with estimated production of 95,000 bales in 1952-53 and a 5-year average of 98,000 bales for the last 5 seasons. Most of the cotton is grown for export, with domestic consumption amounting to approximately 15,000 bales annually. Cotton for export is purchased in seed cotton form by the Nigeria Cotton Marketing Board and ginned before export by the British Cotton Growing Association.

Practically all of Nigeria's cotton exports go to the United Kingdom, with shipments amounting to 118,000 bales in 1953-54, 80,000 in 1952-53, and a 5-year average of 83,000 for the past 5 seasons. About 95 percent of the exported cotton is produced in northern Nigeria. The principal variety is known as 26C which has been developed from American Allen strains. Staple length is said to be approximately 31/32-inch by United States classification and to command prices on the United Kingdom market in direct relation to American Strict Middling. It is reportedly even in staple, of very good white color, with ginning returns of 34 or 35 percent.

Cottonseed for planting is distributed free in liberal amounts to the village centers to encourage improvement of variety and quality by use of approved seed. Purchase prices for the seed cotton at the 200 official buying stations are established by the Marketing Board and well publicized to inform the producer of the price he will receive. He is under no obligation to sell his cotton to the official buying agents, but the assured prices provide a floor under the market at all times.

The outlook for the 1954-55 crop is not as yet clear. Planting begins in June and is heaviest in July. Weather and rainfall are the determining factors in the size of the crop, but no major increase in the area planted to cotton is expected, in view of the continuing need to reserve adequate acreage for food crops.

MALAYAN COCONUT OIL EXPORT MARKET STRONG

The market for Malayan coconut oil, as of late July, has been strong, with leading oil mills operating at full capacity on a 24-hour basis, reports Jack R. Johnstone, Agricultural Officer, American Consulate General, Singapore. Most sales were being made to Eastern markets, principally to Burma, China and Formosa. Local exporters estimate that recent exports to Burma and China are at the rate of about 2,000 long tons (tons of 2,240 pounds) monthly, whereas shipments to Formosa range from about 200 to 400 tons monthly. The Burma buying price is about M\$56.00 per picul of 133.3 pounds (13.9 U. S. cents per pound), c.i.f., Rangoon. The China buying price is much higher, amounting to about M\$59.00-M\$60.00 per picul (14.6-14.9 cents), f.o.b., Singapore.

Local oil expressers state that supplies of copra from Indonesia are much improved over last year. The reason given is that European buyers presently are not able to absorb Indonesian supplies, thereby resulting in a diversion to Singapore. A reported shipment of about 20,000 tons of Indonesian copra to China is causing some concern among local oil exporters, as it is feared that this trend may have an adverse effect upon the present lucrative trade in coconut oil with China.

Coconut oil exports of 19,370 tons during the first quarter of 1954 were about double the volume and value exported in the corresponding quarter of 1953. Western Germany, India and China were the leading recipients (see Foreign Crops and Markets of August 9, 1954, page 156).

Malaya's production of coconut oil during January-March 1954 of 30,807 long tons represents an increase of 80 percent from the corresponding 1953 period. Greater availability of copra and a strong export demand for crude coconut oil largely explain this increase.

Data on Malayan copra production are limited to the reports of copra expressed by local coconut oil plants. During the quarter under review this amounted to 55,095 long tons as compared with 30,838 tons during the first quarter of 1953. During the earlier period local copra was in short supply.

Domestic consumption of coconut oil during the quarter was about 12,000 tons or moderately above a year ago. Copra cake consumption apparently increased by about 5,000 tons to roughly 33,000 tons.

MALAYA'S PALM OIL MARKET SHOWS LITTLE FORWARD BUYING

Recent marketing of Malayan palm oil has been on a hand-to-mouth basis with no significant forward buying, reports Jack R. Johnstone, Agricultural Officer, American Consulate General, Singapore. Buyers in the United Kingdom, where most of the palm oil goes, apparently have been playing a waiting game to see what eventual effect the liquidation of fats and oils stocks (following the June 1 decontrol) will have upon the market. Exporters meanwhile have become anxious in anticipation of more forward buying. The export price of palm oil, in early July, was quoted at £80-10-0 per long ton (10.1 cents per pound) c.i.f., United Kingdom, as compared with about £82-10-0 (10.3 cents) in March. Offers to India were at about £78-10-0 per ton (9.8 cents) c.i.f., Bombay, but no sales were being made. There has been some interest in the Canadian market, and prices were at about 10.75 U. S. cents per pound, c.i.f., Montreal.

A similar situation prevailed with respect to palm kernels. There was little forward buying as of late July. The May-June sales were at around £53 per long ton (\$133.75 per short ton), according to local exporters, as compared with around £48 to £49 (\$120.00-\$122.50) in early July.

Malayan exports of palm oil and palm kernels in the first quarter of 1954 totaled 13,117 and 3,563 short tons, respectively, or moderately above exports in the corresponding quarter of 1953 (see Foreign Crops and Markets of August 9, 1954, page 156).

PHILIPPINE COPRA EXPORTS UP IN JULY

Philippine copra exports during July totaled 71,971 long tons, an increase of 6 percent from the previous month and 30 percent from July 1953. Total shipments during January-July 1954 amounted to 396,604 tons or 41 percent more than the 281,338 tons exported in the comparable period of 1953.

The breakdown of the July copra exports by country of destination is as follows: United States--26,887 tons (Atlantic-700, Gulf-1,000, Pacific-25,187); Canada--2,500; Belgium--500; Denmark--3,700; Germany--2,000; Italy--1,500; the Netherlands--16,370; Norway--3,500; Iraq--500; Europe, unspecified--5,080; Colombia--5,008; and Venezuela--4,426 tons.

July exports of coconut oil amounted to 5,823 tons compared with 4,404 tons in June and 4,931 tons in July 1953. The January-July aggregate was 33,153 tons against 26,170 tons in 1953. The entire quantity of oil shipped through July went to the United States (Atlantic).

On a copra equivalent basis, exports of copra and coconut oil January through July of this year totaled 449,228 tons, or 39 percent more than the 322,878 tons exported in the same months of 1953.

The copra export price in mid-July was \$165.00 per short ton, c.i.f. Pacific. Local buying prices in Manila were 27.50 to 29.50 pesos per 100 kilograms (\$139.71 to \$149.87 per long ton).

The following revisions were reported for coconut oil exports in June: Atlantic--4,259; total 4,404 tons.

U. S. COTTON EXPORTS UP IN JUNE

Exports of United States cotton in June, amounting to 452,000 bales of 500 pounds (435,000 running bales), were the highest for any month since December 1952. The cumulative total of 3,673,000 bales (3,529,000 running bales) for August-June 1953-54 represents an increase of 20 percent over last year's corresponding total of 3,061,000 bales.

This increase of about 100,000 bales over the figure for May is in contrast with the usual seasonal decline in June. However, it is part of the general uptrend in exports since the early part of 1954 and may be attributed in part to an unusually large amount of cotton shipped under the foreign aid program just before the deadline for such shipments in the fiscal year 1953-54.

The two principal stimulants to United States cotton export trade in recent months were the liquidation of most of the surpluses of competitive foreign growths and a consequent rise in the prices for old-crop foreign cotton to approximately the level of United States cotton. Also, the spread between quotations for near-month futures and those for distant months have encouraged importers to buy somewhat more freely.

Most of the uncertainty regarding a possible subsidy or two-price system seems to have been eliminated from the market, thus also encouraging foreign mills and importers to add to their inventories. Stocks are still low in most importing countries, however, and must be maintained or increased.

Mill consumption in foreign countries is still holding at the favorable levels of recent months but a slight decrease in the coming season is more likely than an increase because of evidence of general overstocking of textiles in colonial markets and some decline in textile export trade. It is too early to estimate accurately the 1954-55 production in foreign countries for the purpose of appraising competition in foreign markets but preliminary reports from most of the major producing countries indicate a probable increase abroad of something more than 1.0 million bales over last year's production.--By Charles H. Barber.

UNITED STATES: Exports of cotton by countries of destination, averages
1935-39 and 1945-49; annual 1951 and 1952;
August-June 1952-53 and 1953-54

Country of destination	(Bales of 500 pounds gross)					
	Year beginning August 1					
	Averages		1951	1952	August-June	
	1935-39	1945-49			1952-53	1953-54
	1,000	1,000	1,000	1,000	1,000	1,000
	bales	bales	bales	bales	bales	bales
Austria.....	0 : <u>1</u> /	36	32	47	45	41
Belgium-Luxembourg.....	169	131	317	73	70	66
Czechoslovakia.....	65	57	0	0	0	0
Denmark.....	33	14	34	34	32	20
Finland.....	35	21	33	4	4	10
France.....	662	575	309	507	506	464
Germany.....	511	340	447	241	236	371
Italy.....	442	489	560	272	271	260
Netherlands.....	107	131	197	79	74	101
Norway.....	17	7	15	11	11	13
Poland and Danzig.....	180	69	0	0	0	0
Portugal.....	36	<u>2</u> /	21	1	1	0
Spain.....	108	69	203	77	71	161
Sweden.....	115	12	100	36	35	41
Switzerland.....	11	26	99	28	28	23
United Kingdom.....	1,346	488	662	359	352	379
Yugoslavia.....	17	47	122	86	82	36
Other Europe.....	31 : <u>3</u> /	33	6	6	4	7
Total Europe.....	3,885	2,545	3,157	1,861	1,822	1,993
Canada.....	301	275	296	284	274	220
Chile.....	9	20	35	1	1	23
Colombia.....	20	24	53	35	34	7
Cuba.....	11	16	20	12	10	17
India.....	52	86	778	45	43	149
China.....	117	401	0	0	0	0
French Indochina.....	22	6	24	18	18	16
Indonesia.....	<u>2</u> /	5	14	17	16	21
Japan.....	1,142	585	1,095	691	636	939
Korea, Republic of.....	<u>4</u> /	<u>5</u> / 48	55	41	36	85
Taiwan (Formosa).....	<u>4</u> /	1	53	107	107	102
Australia.....	9	7	50	11	10	38
Other countries.....	21	46 : <u>6</u> /	81 : <u>7</u> /	58	54	63
Total.....	5,589	4,065	5,711	3,181	3,061	3,673

Compiled from official records of the Bureau of the Census.

1/ Four-year average. 2/ Less than 500 bales. 3/ Includes Greece 21. 4/ If any, included in "Other countries." 5/ Three-year average. 6/ Mostly countries in Asia (35) and Africa (25). 7/ Israel 14, Republic of Philippines 16.

TRADE DEVELOPMENTS IN FOREIGN COUNTRIES

Brazil Modifies Export Bonus Plan: Effective August 14 the Brazilian Government issued new instructions modifying the export bonus plan in effect since October 1953. Under the new instruction (No. 99) the Bank of Brazil will continue to purchase all export exchange proceeds at the official rate, and pay export bonuses of 5 cruzeiros per dollar for coffee and 10 cruzeiros per dollar for other products on 80 percent of the export proceeds. For the remaining 20 percent, the bonus will be the difference between the official and the free market rates. Under the October 1953 regulation the bonuses of 5 cruzeiros per dollar for coffee and 10 for other products were paid on the total export proceeds.

Assuming a free market rate of 60 cruzeiros to the dollar for 20 percent of the proceeds, exchange received from the sale of coffee would yield about 30 cruzeiros per dollar as compared with the previous figure of 23.36. The new instruction retains the Brazilian domestic coffee price support at 20.32 cruzeiros per pound, which is the cruzeiro equivalent of the 87 cent minimum export price (converted on the old basis) set in a decree of June 3, 1954. At last week's difference between the official and free exchange rate, this would permit coffee sales under the new bonus plan at approximately 66 cents per pound (U. S. currency) as compared to the previous minimum or 87 cents per pound.

July coffee exports were less than the predictions, causing a further deterioration in Brazil's already critical exchange situation. A news item from Germany to the effect that it will distribute coffee purchases equitably among Brazil, Colombia, and Ecuador, instead of buying 70 percent in Brazil as it did last year, was interpreted in Brazil to be the result of the high export minimum price on coffee referred to above.

Brazil Signs Bilateral Trade Agreements: During the first six months of this calendar year, Brazil has negotiated a series of new trade and payments agreements, particularly with European countries, designed to operate more effectively within the framework of the new import control system. This action involved the signing of new payments agreements with Hungary and Poland, an 18-million-dollar trade agreement with Yugoslavia, and the successful completion of negotiations with Argentina for revision of the important 270-million-dollar trade pact between the two countries. In addition, a treaty of friendship, commerce, and navigation was signed with Lebanon. Agreement was also reached with German authorities over measures designed to liberalize both trade quotas and currency availability applying to West German commerce with Brazil. Official Brazilian policy reflects little evidence of any tendency away from bilateralism.

Heneguen Fiber Exempted from Mexican Export Duty: The 25 percent export tax on heneguen fiber exported from Mexico was abolished by decree on August 2, 1954. The tax was based on an official valuation of 1.00 peso per kilo. The exemption applies to heneguen fiber, sanseviera, and other fibers and includes tariff classifications 26-20, 26-26, 26-30, 26-31, 26-33, and 29-14. This is one of the few cases of a traditionally significant

raw material export being completely exempt from export duties. The reason is the chronically depressed condition of the industry.

Shortly after devaluation of the Mexican peso in April of this year the federal government of Mexico discontinued its subsidy to Henequeneros de Yacatan. The subsidy had enabled the organization to supplement the base daily wage of 5.60 pesos by 2.00 pesos per day. Efforts are being made to obtain government assistance for the industry in addition to the tax relief cited above.

Venezuela Buys Eggs from Nova Scotia: It is reported that a Norwegian freighter has aboard 200 cases of eggs from Nova Scotia destined for Venezuela. This is the first shipment of agricultural products from Nova Scotia to South America and may represent the beginning of a future trade.

Private Greek Importers Re-enter Grain Trade: According to a recent decision by the Greek Foreign Trade Administration, it is now possible for private Greek importers to import wheat from the United States when settlement is made against FOA procurement authorizations. Wheat and wheat flour have hitherto been imported only by the Foreign Trade Administration, whereas most other commodities could be freely imported without quantitative restrictions following the devaluation of the drachma in April 1953. This is considered by officials of the Foreign Trade Administration to be a step towards putting the private grain importer back in business. Imports of wheat from the United States against payment in free dollars and imports from areas other than the United States, however, are still made only by the Foreign Trade Administration.

Mexican President Sets up Council for Promotion and Coordination of Production: The President of Mexico has named the members of the new Council for the Promotion and Coordination of Production. The President of the Council will be Ing. Marte R. Gomez, a former Minister of Agriculture for the Republic. The new agency will include industrial, agricultural, banking, and commercial representatives. The Council will examine the problems related to industrial and agricultural production and will recommend to the Government concrete measures for the balanced increase of output. The Agricultural Branch will recommend participation of private enterprise in irrigation works; public and private credit for agriculture and livestock; technical and social assistance to combat erosion; improvement of cultivation systems; agricultural insurance; price guarantees; distribution of products; and other recommendations which it judges to be in the national interest. The Mexican Government is anxious to increase its domestic production and reduce the necessity for importing essential foodstuffs. A good share of these imports are received from the United States.

Danish Liberalization of Imports from the Dollar Area Contemplated: The Danish Minister of Commerce recently stated that she expects soon to announce some liberalization of dollar imports, involving most of the commodities now freely imported from Western Europe. But newspapers indicate that grains and feedstuffs, though on the European free list, may not be included on the dollar free list. Oilcakes were, however,

freed from dollar restrictions in July on a temporary basis and a one-month extension of the period, during which dollar oil-cake purchases can freely take place, has recently been announced.

Portugal to Import 30,000 tons of wheat from U. S.: According to a recent report from Lisbon, Portugal plans to import about 30,000 tons of foreign wheat for blending purposes during the 1954-55 fiscal year. It is anticipated that all of this will come from the United States under arrangements recently concluded with FOA to reallocate unutilized funds from previous years to cover wheat imports.

Some East African Territories Relax Import Controls: The Ministry of Commerce and Industry of the Federation of Rhodesia and Nyasaland has recently announced the relaxation of import controls on some items from dollar and other non-sterling countries. The following agricultural and food items appear for the first time on the unrestricted list and may be imported from the United States and other nonsterling countries, upon specific approval of allocation of necessary dollar exchange:

- animal charcoal
- animal feedstuffs
- condensed and dried milk
- edible nuts, excluding peanuts
- infants foods, milk base only
- bulk olives in brine
- canned fish

The dollar exchange allocations are broken down separately for the three territories, that is, for Southern Rhodesia, Northern Rhodesia, and Nyasaland. Specific exchange allotments to individual importers are recommended to the Government through the Federal Council of the Rhodesia and Nyasaland Chambers of Commerce. After approval of the individual allotments, licenses are issued by the Ministry of Commerce and Industry, which assures automatic release of the necessary dollar exchange.

M O R E L A T E N E W S

Transshipments of Mexican cotton through United States ports in May 1954 amounted to 22,000 bales (500 pounds gross) making a total of 651,000 bales for August 1953-May 1954. During this period the principal destinations were: Japan 300,000 bales; Belgium 78,000; Western Germany 62,000; United Kingdom 61,000; the Netherlands 49,000; Spain 35,000; Switzerland 15,000; Sweden 11,000; Italy 8,000. These figures include linters, waste, hull fibers, etc. but do not include shipments of cotton to Canada by railroad or exports from Mexican ports directly to foreign destinations.

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Cotton mill consumption in Canada during July 1954 amounted to only 19,000 bales (500 pounds gross) the lowest recorded in 17 years. Consumption for the crop year ending July 31, 1954 amounted to 305,000 bales, dropping 17.6 percent from the previous year.

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Financing of Italian purchases of approximately 165,000 bales (500 pounds gross) of American cotton has been provided by the recent allocation of \$16,887,000 to Italy for purchase of American cotton by the Foreign Operations Administration, and the previously announced allocation by the Italian Government of \$15,000,000 from its "free" dollar reserves for the same purpose. Final contracting date for the F.O.A. funds is October 31, 1954, and final delivery date (shipside) is December 31, 1954.

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